

Budget Task Force Report

Draft: Comments and suggestions welcome

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Our task force studied CSU's budget and budgetary process in the Fall 2022 semester. We see a need for enhancing transparency and accountability of budgets at all levels of CSU's administration. This task force recommends greater involvement in important budgetary decisions for the Committee on Strategic and Financial Planning (CoSFP), which has a purview on the same issues facing the Board of Governors and is the formal liaison between Faculty Council and Central Administration. Given the pending change in University leadership, it is particularly important for faculty to be educated, informed, and involved in our budget processes and decisions. Our recommendations can be grouped into three categories.

Public Budget Data

1. Data on actual expenditures: Include the "actual" revenues and expenditures for the previous years in the Operating Budget Summaries (Total University) and the College/Division Operating Budget Summaries on the Office of Budgets' [Resources webpage](#). Major variances should be highlighted and explained.
2. Central one-time funds: Currently, central one-time funds are not reported to the public. Central one-time funds should be reported annually like all other expenditures.
3. Enhance budget transparency: The Task force has identified best practices at peer institutions that may serve as a model for CSU:
 - Oregon State University's budget reports: [management-reports](#), annual budget: [fy22 budget book.pdf](#), and compilation of other universities' budget principles: <https://fa.oregonstate.edu/sites/fa.oregonstate.edu/files/budget/sbac/combined-meeting-materials.pdf>
 - Iowa State University: <https://budget-planning.operationsfinance.iastate.edu/financial-reports>
 - Michigan State University: <https://opb.msu.edu/functions/budget/budget-analysis-and-reporting.html>
 - Washington State University fiscal health initiative: [fiscal-health](#)
 - AAUP recommendations on faculty involvement in budgeting: <https://www.aup.org/report/role-faculty-budgetary-and-salary-matters>

Budget Presentations to Enhance Transparency and Accountability

1. Budget discussions at three levels - University, College/Division, and Department/Unit - should be standard practice at CSU. These should be at least twice yearly: during budget preparation to get feedback and insights from the community, and upon budget completion to explain the reasoning and results of decisions made.

2. Faculty committees at all three levels should be given information on budget principles, parameters, and priorities of leadership in order to independently gather feedback and present to administrative leadership in time to affect budget decisions.
3. Budget reports of decisions, changes, and results should be made available at all three levels. These reports should include reasonably detailed Education & General budget allocations, other generated budget revenues, additional strategic allocations (e.g., Central Funding Agreements) not included in the posted budget, and actual expenditures. Annual analyses by common metrics such as faculty counts, student credit hours, etc. should be included to contextualize budget decisions and drive informed conversations on choices. The CoSFP should provide guidance on the expected details to be included in budget reports.
4. All budget presentations should be recorded to ensure information access for individuals who are not able to attend the presentations due to professional conflicts (teaching, advising, other meetings, etc.).

Role for Committee of Strategic and Financial Planning (CoSFP)

1. The Committee chair should have guest privileges to attend Faculty Council and Executive Committee of Faculty Council meetings, and we encourage them to maintain a regular presence and open lines of communication.
2. The Committee should be informed of strategic investments using central one-time funds throughout the year.
3. The Committee should provide semi-annual written and oral reports to Faculty Council on the Committee's work in relation to duties described in the Faculty manual.
4. The Committee should recommend priorities for resource allocations to achieve University academic planning goals, as described in the Faculty manual.
5. The Committee should recommend policies for the distribution of faculty compensation increases, as described in the Faculty manual.
6. The Committee chair should meet with the Board of Governors budget committee during budget planning.
7. The Committee should be involved in any process of "rebalancing" the University's base budgets.
8. The Committee should be involved in any budget reform process (including any reform of or away from the current incremental budget process).